



*United States Attorney  
Southern District of New York*

**FOR IMMEDIATE RELEASE**  
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**EASTERN EUROPEAN ATM OPERATOR AND ASSOCIATE**  
**INDICTED BY U.S. FOR MULTI-MILLION-DOLLAR ATM FRAUD**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, and STEVEN H. CAREY, the Special Agent in Charge of the United States Secret Service New York Field Office, announced today the filing in Manhattan federal court of a five-count superseding Indictment charging ILJMIJA FRLJUCKIC, an owner and operator of ATMs in New York, Florida, California, and Michigan, and his associate, IVAN VRABEC, with conspiracy to commit bank and access device fraud, bank fraud, and access device fraud. FRLJUCKIC is also charged with possession of illegal access device-making equipment.

Prior conspiracy, bank fraud, and access device fraud charges against FRLJUCKIC, VRABEC, and others were filed on May 7, 2003.

The Indictment charges that, between November 2000 and December 2003, FRLJUCKIC, VRABEC, and others allegedly purchased dozens of automated teller machines ("ATMs") using numerous false identities and bogus company names and caused those ATMs to be

installed in retail locations and restaurants in New York, Florida, California, and Michigan.

The Indictment alleges that FRLJUCKIC and his co-conspirators opened up bank accounts in phony names across the country in order to connect those ATMs to the national banking network and to facilitate ATM transactions. According to the Indictment, FRLJUCKIC used more than 11 different identities to evade detection and to perpetrate this fraud.

The Indictment alleges that FRLJUCKIC and his co-conspirators installed skimming devices in their ATMs to acquire account information from unsuspecting ATM users.

The Indictment also alleges that the doctored ATMs would "skim" bank account information from ATM cards swiped at an ATM. Later, FRLJUCKIC and his co-conspirators would allegedly take the "skimmed" account information and encode that information onto plastic cards with magnetic strips. The encoded plastic cards were then used by FRLJUCKIC, VRABEC, and others to withdraw thousands of dollars per day from ATM customers's accounts at legitimate ATM banking centers in New York and elsewhere, it was charged. In all, the Indictment charges at least 21,000 bank account numbers from approximately 1,400 different banks were stolen by FRLJUCKIC, VRABEC, and their co-conspirators, and those stolen bank account numbers were then used to make unauthorized ATM withdrawals in excess of \$3,750,000.

For example, according to the Indictment, on November

15, 2001, one of FRLJUCKIC's co-conspirators made, in the span of approximately nine minutes, approximately 10 ATM withdrawals totaling approximately \$9,200 at a Citibank ATM in Manhattan from approximately 10 separate bank accounts. Soon after, according to court records, a co-conspirator was arrested by Secret Service agents outside the Citibank ATM center with approximately 11 white plastic cards with magnetic strips and more than \$29,000 in cash.

The Indictment stated that FRLJUCKIC and his co-conspirators later installed additional ATMs at retail and restaurant locations in the New York metropolitan area between August and September 2003, and skimmed numerous additional bank account numbers from unsuspecting ATM users. According to the Indictment, in November 2003, FRLJUCKIC and his co-conspirators then used plastic cards with magnetic strips encoded with the stolen bank account information to make thousands of dollars of withdrawals at ATMs in Manhattan.

The Indictment also stated that on or about November 11, 2003, FRLJUCKIC had an ATM installed at a restaurant in Orchard Lake, Michigan, using another alias and a bogus company name.

According to court documents, on or about December 3, 2003, FRLJUCKIC was apprehended in Wixom, Michigan, and that at the time of his arrest, Secret Service agents seized from him approximately 31 encoded plastic cards with magnetic strips, 5 skimming devices, and more than \$88,000 in United States

currency. Secret Service agents also seized 3 ATMs owned by FRLJUCKIC in Michigan. Since 2001, according to court records, the Secret Service has seized a total of approximately 60 ATM machines from New York, Florida, and Michigan that were allegedly used by FRLJUCKIC and his cohorts in this scheme.

According to the Indictment, the United States also seeks forfeiture of all property derived from proceeds of the alleged scheme, including \$3,750,000, 3 ATMs seized by the Secret Service in Michigan, and other items seized from FRLJUCKIC at the time of his arrest, including \$88,000 in cash, several watches, including Rolex, Cartier, and Bulgari watches, jewelry, laptop computers, and a 2003 Lincoln Navigator sport utility vehicle.

ILJMIJA FRLJUCKIC, 44, is in custody, and is believed to have resided in Montenegro prior to his arrest. His arraignment has not been set yet.

IVAN VRABEC, 33, is at large.

If convicted, FRLJUCKIC faces a maximum penalty of 72 ½ years in prison

If convicted, VRABEC faces a maximum penalty of 57 ½ years in prison.

Both defendants also face fines of more than \$1 million.

Mr. KELLEY stated, "Today's charges mark the culmination of a tireless nearly three-year investigation by law enforcement. We believe we have uncovered and stopped a cross-country crime spree that was one of the largest and most

sophisticated ATM frauds in the United States. These defendants are accused of taking thousands from people who believed their money was in the safest place possible."

Mr. KELLEY praised the efforts of the United States Secret Service, and thanked Fair Issac's Card Alert Fraud Management Group, investigators at Citibank, and NYCE.

Assistant United States Attorney VICTOR L. HOU is in charge of the prosecution.

The charges contained in the Indictment are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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